GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4478
ANSWERED ON:21.04.2003
CONSUMPTION OF FERTILIZERS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether consequent to decontrol of phosphatic and potassic fertilizers, the prices of these fertilizers rose sharply resulting in a sharp fall in their consumption;

(b) if so, the extent to which the consumption of these fertilizers has declined;

(c) whether the Government have introduced a separate concession scheme to stimulate the consumption of these fertilizers;

(d) if so, the details thereof alongwith the amount of concession provided to farmers during the last three years in each State; and

(e) the extent to which the consumption of these fertilizers have been stimulated?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): Consequent to decontrol of phosphatic and potassic (P&K) fertilisers on 25-8-1992, the prices ofthese fertilizers rose considerably resulting into sharp decline in their consumption in 1992-93.

(b): The consumption of Di-Ammonium Phosphate (DAP), Muriate of Potash (MOP), Single Super Phosphate (SSP) and Complexes declined by 10.3%, 42.7%, 36.6% and 5.4% respectively in 1992-93 over their consumption level in 1991-92.

(c): Yes, Sir.

(d): The Government indicates the Maximum Retail Prices(MRP) for decontrolled fertilisers like Di- Ammonium Phosphate (DAP) Muriate of Potash (MOP) and Complex Fertilisers.In case of Single Super Phosphate (SSP), indicative MRPs are fixed by the respective State Governments. To enable sale of these fertilizers at the prices announced by the Government, concession is paid under the Scheme of Concession on sale of decontrolled P&K fertilisers.The benefit of subsidised prices of fertilizers is available to all farmers in all parts of the country.

(e): After a substantial increase in amount of concession for P&K fertilizers on 6.7.96 and 1.4.97, the consumption of DAP, MOP, SSP and Complexes increased considerably by 48.2%, 44.3%, 21.3% and5.5% respectively in 1997-98, over their consumption in 1996-97. Thereafter, except in 2000-01 and 2002-03 the consumption increased consistently. In 2000-01 and 2002-03 the consumption of most of the fertilizers declined due to severe drought in most parts of the Country.